

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6664**

**BILL NUMBER:** SB 445

**DATE PREPARED:** Mar 14, 2001

**BILL AMENDED:** Mar 1, 2001

**SUBJECT:** Criminal History Checks.

**FISCAL ANALYST:** Dave Hoppmann

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**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) *State or Governmental Entities*- This bill clarifies that a state or governmental entity may obtain the release of a limited criminal history for an applicant seeking employment with the entity.

*School Entities*- It specifies that a school corporation, nonpublic school or special education cooperative may obtain without charge the limited criminal history of a prospective employee from a law enforcement agency. (It also specifies that a special education cooperative may obtain without charge the limited criminal history of an adult volunteer from a law enforcement agency.)

*National Criminal Background Checks*- It allows a school corporation or nonpublic school to obtain a national criminal history of individuals who apply for certificated or non-certificated positions within the school corporation or nonpublic school.

This bill also makes related changes.

**Effective Date:** (Amended) Upon passage; July 1, 2001.

**Explanation of State Expenditures:** (Revised) *State or Governmental Entities*- The Indiana State Police (State Police) would incur no additional administrative expenses regarding this provision of the bill. Under current law, state and governmental entities already request and obtain the release of limited criminal histories for applicants seeking employment.

*School Entities*- The State Police would incur no additional administrative expenses regarding this provision of the bill. Under current law, the State Police processes an unknown number of requests for limited criminal histories of prospective employees by school corporations, nonpublic schools, and special education cooperatives. (The elimination of limited criminal history fees would not likely increase the demand for such

background checks since school entities requiring limited criminal histories do so as a matter of policy, regardless of fees.)

This provision would not affect the State Police's ability to charge fees for limited background histories of individuals who seek teacher certification via the Professional Standards Board.

*National Criminal Background Checks-* The State Police would experience an increase in administrative expenses regarding the processing of fingerprint cards of prospective certificated and non-certificated employees of school corporations and nonpublic schools to local law enforcement agencies for ultimate submission to the Federal Bureau of Investigation.

However, any expenses would likely be mitigated via fees (allowed by this bill) set by the State Police to defray the costs associated with a search for, and classification of, the applicant's fingerprints. The specific effects are currently indeterminable, and would depend upon the number of national background checks requested by school corporations or nonpublic schools and by federally acceptable fees set by the State Police.

Funding for the State Police originates from the state General Fund and the Motor Vehicle Highway Fund.

### Background

*Limited Criminal Histories-* Typically, a school corporation requests a limited criminal history when it is in the process of hiring a previously certificated employee who has had a significant break in employment. It is not the general policy of a school corporation to request limited criminal histories of newly licensed individuals since criminal background histories are conducted as part of the certification process via the Professional Standards Board.

The State Police reports that the exact number of limited criminal histories conducted at the request of school corporations, nonpublic schools, and special education cooperatives is currently indeterminable.

*National Background Checks-* Under current law, prospective employees of school corporations and nonpublic schools are not required to submit fingerprints for national background checks to local law enforcement agencies. In accordance with this bill, all such prospective employees (including certificated and non-certificated employees) would be required to do so at the request of their employer.

In order for a national background check to be initiated, fingerprints would first need to be sent to the State Police for processing (by local law enforcement agencies) and ultimate transmittal to the FBI. The FBI does not accept finger prints from local law enforcement entities due to a concept designated as "sole source". (The State Police is the current "sole source" for all fingerprint transmittals to the FBI from Indiana.)

**Explanation of State Revenues:** (Revised) *School Entities-* The state General Fund could experience a decrease in limited criminal history revenue due to this provision of the bill.

Under current law, the State Police is allowed to charge a \$7 fee for responding to school corporation, nonpublic school, and special education cooperative requests for limited criminal histories of individuals who seek employment in certificated and non-certificated positions.

In accordance with this provision, the State Police would no longer be able to charge a fee for these

individuals if the limited criminal history is requested by the entities mentioned above.

The specific impact to the state General Fund is currently indeterminable, and would depend upon the number of limited criminal histories annually requested by school corporations, nonpublic schools, and special education cooperatives for certificated and non-certificated employees, as well as for special education cooperative adult volunteers.

State General Fund Revenues from total criminal history checks for FY 2000 totaled \$1,602,808.

*National Criminal Background Checks-* The state General Fund could experience an increase in national background check fee revenue due to this provision of the bill. The State Police reports that of the \$34 fee that is charged for a national background check, the state General Fund receives \$10 (the \$24 difference is paid to the federal government.)

The specific impact to the state General Fund is currently indeterminable, and would depend upon the number of national background checks annually requested by school corporations and nonpublic schools for certificated and non-certificated employees.

**Explanation of Local Expenditures:** (Revised) *National Criminal Background Checks-* Law enforcement agencies would experience an indeterminable increase in administrative expenses due to this provision of the bill. However, expenses could be mitigated via federally acceptable fees (allowed by this bill) to defray the costs associated with a search for, and classification of, the applicant's fingerprints.

The specific effects are currently indeterminable and would depend upon the number of national background checks annually requested by school corporations and nonpublic schools for certificated and non-certificated employees and any federally accepted fees which are established.

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana State Police.

**Local Agencies Affected:** School Corporations, Special Education Cooperatives; Law Enforcement Agencies.

**Information Sources:** Steve Hillman, (317) 232-8204, Indiana State Police.